

Chair Meek and Committee Members,
February 20, 2024
Re SB 1593 -1. Please support SB 1593

In 2020 during the destructive Labor Day wildfires over 5,000 homes and businesses burned, driven by wind and amplified by drought. Fires burned even more severely on industrial timber plantations, which cover nearly 7 million acres in Oregon. Industrial harvest also decreases water flow and quality. The majority of Oregon's drinking water comes from our forestlands.

As reported by the Oregonian, ProPublica and OPB, millions of acres of forestlands are owned by Wall Street investors, through REITs (real estate investment trusts), and pension funds and since the elimination of the severance tax do not pay tax on the value of timber harvested in Oregon. These industrial forestlands are managed for financial returns and are **logged on a 35 – 40 year rotation cycle. These forestry practices pose significant risks and costs to communities.**

As a result of fire risk and loss in Western communities, the insurance industry has started exiting new businesses in California, and I hear it is happening in Oregon as well. Rural communities are struggling to pay for essential services, including fire, water and safety services, while Wall Street owners are making incredible profits. As a result of tax cuts in the 1990s Oregon has witnessed billions in disinvestment in rural communities.

To respond to the wildfire challenges we face in Oregon, we need permanent funding for programs that support all Oregonians to prepare homes and communities to survive fast moving wildfires. Experts are clear that we need to prepare homes and communities to be ignition resistant before fire comes. The insurance industry has recognized these actions as essential in reducing risks. **More than ever, we need Fire Adapted Communities.**

A value tax on harvested timber is fair, equitable and can help fund needed wildfire programs, including programs that: 1) provide revenue to develop fire-safe communities, 2) fund vital local public services and 3) restore drinking water sources. I recognize and support exceptions for small forestland

owners who harvest less than 25,000 board feet of timber annually. **I also strongly support incentives for forestland owners who grow their trees longer and use climate smarter forestry e.g. Forest Stewardship Council (FSC) certification.** Longer rotations are a natural climate solution that will result in more carbon on the landscape over time.

Sincerely,

KB Mercer and David Huffman

10811 SE Schiller St.

Portland, OR 97266